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# France

# Retail Food Sector

# Annual Report

# 2008

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**Report Highlights:**
Food sales in France continued their growth trend in 2007 with strong prospects for non-alcoholic drinks, dairy and seafood products. Frozen and ready-to-eat items also show strong growth potential for food retailers in response to changing lifestyles. Food retail outlets are generally hyper/supermarkets, hard discounters, city center and gourmet stores, as well as traditional outlets.

French consumers spent approximately 16 percent of their budget on food and beverage purchases. Of this amount, about 6 percent were spent outside home (in hotels, cafes and restaurants), and approximately 10 percent in retail food outlets. France imported about $517 million of food and beverage products (consumer oriented only) from the U.S. in 2007, a decrease of 1.3 percent from 2006.

Includes PSD Changes: No
Includes Trade Matrix: No
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**Average exchange rate used in this report, unless otherwise specified:**
Calendar Year 2004: US Dollar 1 = 0.806 Euros
Calendar Year 2005: US Dollar 1 = 0.8038 Euros
Calendar Year 2006: US Dollar 1 = 0.796 Euros
Calendar Year 2007: US Dollar 1 = 0.7312 Euros
(Source: Central Intelligence Agency Fact Book)

## EXECUTIVE SUMMARY

## SECTION I. MARKET SUMMARY

Food sales in France increased 2.4 percent in 2007, compared to 2006. Over the last five years, average French consumption of meat, fish and seafood, bread and cereals, dairy products, specialty milk, yogurts and cheeses, soft drinks, mineral water and fruit juices increased; consumption of fresh fruits and vegetables, ice cream, sugar, and alcoholic beverages decreased. In 2007, food and beverage expenditures, valued at $199 billion, represented 16 percent of the total French household budget.

The following sectors demonstrated strong growth trends from 2004-2007: non-alcoholic drinks (mainly fruit juices, mineral water, and sodas), milk, cheese and eggs, fish and seafood, meat, bread and cereals.

**Total French Household Food and Beverage Expenditures, by major categories**:

In U.S.$ billion

| | 2004 | 2005 | 2006 | 2007 | % Change 2004/2007 |
|---|---|---|---|---|---|
| Bread and cereals | 22.1 | 22.4 | 22.6 | 25.5 | +15.4 |
| Meat | 43.2 | 44.5 | 45.0 | 50.8 | +17.6 |
| Fish & seafood | 12.5 | 12.8 | 12.9 | 15.3 | +22.4 |
| Milk, cheese, eggs | 22.6 | 22.9 | 23.1 | 26.5 | +17.2 |
| Fruits & vegetables | 26.5 | 27.6 | 27.9 | 22.2 | -16.2 |
| Non alcoholic drinks | 11.9 | 12.6 | 12.7 | 27.7 | +132.8 |
| Alcoholic drinks | 17.7 | 17.5 | 17.7 | 17.1 | -3.4 |

*Source: INSEE PREMIERE - Household Consumption*

French imports of agricultural and food products (including tobacco) continued to follow an upward trend moving from $38.6 billion in 2004 to $49.4 billion in 2007. In 2007, France's top suppliers of food and agricultural products were the Netherlands, Belgium/Luxembourg, Germany, Spain, the United Kingdom and Italy, accounting for 70 percent of imports. Brazil is the largest supplier to France outside of the EU-27, mainly for bulk products, including soy and soy protein, orange juice and orange juice concentrates, and is a significant supplier of meat and poultry.

France imported $517 million of consumer-oriented only food and beverage products from the U.S. in 2007, a decrease of 1.3 percent from 2006. (source: UBI France/French Customs). The table below details 2007 imports of U.S. food and beverage products by major category:

| Over U.S.$ 15 million | Between U.S.$ 3 to 15 million |
|---|---|
| Stone fruit, tropical fruit and citrus<br>Canned fruits<br>Nuts (almonds, peanuts, etc.)<br>Oilseeds, misc. grains, seeds, including soybeans<br>Fish and seafood<br>Cereals, including rice and corn<br>Meat and offals<br>Spirits, including wines<br>Beverages, including fruit juices<br>Dried vegetables | Animal feeds<br>Strawberries<br>Dried fruits (other than tree nuts)<br>Canned vegetables<br>Canned fish<br>Sauces<br>Biscuits<br>Tobacco and tobacco products |

Source: UbiFrance/French Customs

**Major French Imports of Agricultural and Food Products, Total and U.S., for Calendar Years 2003-2007 (in million U.S.$)**

| | 2003 | | 2004 | | 2005 | | 2006 | | 2007 | |
|---|---|---|---|---|---|---|---|---|---|---|
| In U.S. $ million | **Total** | **USA** | **Total** | **USA** | **Total** | **USA** | **Total** | **USA** | **Total** | **USA** |
| **Animal (incl. marine) products** | | | | | | | | | | |
| Meat and offal | 2,290 | **15.3** | 3,631 | **29.3** | 3,903 | **44.5** | 4,239 | **48.4** | 4,792 | **31.2** |
| Fish and seafood | 2,270 | **103.5** | 3,274 | **160.9** | 3,577 | **186.1** | 4,036 | **231.0** | 4,127 | **21.8** |
| Milk products, including eggs | 1,746 | **4.8** | 2,577 | **8.4** | 2,431 | **2.5** | 2,680 | **2.6** | 3,450 | **1.4** |
| **Vegetables products** | | | | | | | | | | |
| Vegetables | 1,597 | **18.2** | 2,252 | **17.6** | 2,347 | **19.5** | 2,523 | **19.2** | 3,011 | **26.9** |
| Fruit | 2,393 | **103.5** | 3,516 | **160.4** | 3,411 | **207.7** | 3,613 | **209.0** | 3,824 | **185.6** |
| Coffee, tea, spices | 652 | **0.9** | 831 | **1.2** | 972 | **0.7** | 1,146 | **0.5** | 1,382 | **0.2** |
| Rice | 212 | **10.1** | 311 | **15** | 272 | **12.6** | 284 | **11.3** | 368 | **21.3** |
| Corn | 111 | **31.8** | 203 | **45.4** | 148 | **32.6** | 146 | **18.0** | 342 | **19.9** |
| **Animal and vegetable fats** | 950 | **16.5** | 1,357 | **5.6** | 1,539 | **5.9** | 1,855 | 8.4 | 3,131 | **9.8** |
| **Food industry products/Canned and dry grocery products** | | | | | | | | | | |
| Canned and prepared meat and fish | 888 | **2.5** | 1,296 | **3.5** | 1,300 | **4.7** | 1,494 | **4.4** | 2,379 | **6.8** |
| **Sugar and sweet foods** | 841 | **0.1** | 1,098 | **0.3** | 1,066 | **0.4** | 901 | **1.5** | 409 | **4.4** |
| **Cocoa based foods** | 867 | **0.3** | 1,271 | **0.1** | 1,135 | **0.1** | 2,004 | **1.2** | 1,009 | **6.1** |
| **Cereal based foods** | 180 | **1.6** | 278 | **3.5** | 2,259 | **8.6** | 2,360 | **3.4** | 1,990 | **5.1** |
| Canned fruits, jams and pureed fruits | 453 | **15.7** | 706 | **35.8** | 723 | **35.8** | 813 | **37.7** | 878 | **28.4** |
| Canned vegetables | 444 | **2.2** | 695 | **1.2** | 713 | **0.1** | 799 | **1.9** | 967 | **2.0** |
| Fruit juices | 557 | **28.7** | 738 | **25.5** | 734 | **22.3** | 1,256 | **20.5** | 1,005 | **24.4** |
| **Other prepared foods** | 417 | **14.3** | 600 | **14.5** | 1,544 | **10.3** | 1,633 | **20.1** | 830 | **14.0** |
| Mustards & sauces | 207 | **3.4** | 298 | **4.2** | 322 | **4.3** | 337 | **4.9** | 420 | **5.4** |
| **Beverages, including alcohols** | 1,666 | **42.3** | 2,559 | **61** | 2,610 | **64.7** | 2,360 | **23.1** | 3,349 | **98.8** |
| Wines & Spirits | 951 | **39.5** | 1,475 | **57.7** | 1,418 | **63.3** | 1,534 | **80.3** | 1,824 | **96.0** |
| **Animal feeds** | 1,379 | **10.9** | 1,951 | **16.5** | 1,926 | **12.1** | 1,897 | **21.1** | 2,325 | **15.2** |
| | | | | | | | | | | |

*Sources: UbiFrance / Douanes*

## SECTION II. FRENCH FOOD RETAIL DISTRIBUTION PROFILE

France's retail distribution network is diverse and sophisticated. The food retail sector is generally defined by six types of establishments: hypermarkets; supermarkets; hard discounters; convenience; gourmet centers in department stores; and traditional outlets. (See definitions, page 11 of this report). In 2007, sales within the first five categories represented 75 percent of the country's retail food market, and the sixth, which includes neighborhood and specialized food stores, represented 25 percent of the market.

**Major French Food Retailers, Number of Stores by Type:**

| Year | 2006 | 2007 |
|---|---|---|
| Hypermarkets | 1,018 | 1,526 |
| Supermarkets | 4,120 | 5,501 |
| Hard discounters | 3,973 | 4,223 |

Source: Lineaires

France's major retailers, by 2007 sales within France, were: Carrefour; Leclerc; ITM Entreprises (Intermarché); Auchan; Casino; Systeme U; and Cora (Louis Delhaize). In 2007, sales of the top 15 French food retailers, without tax, totaled 177.9 billion euros ($243.3 billion), a 12 percent increase compared to 2006. Hyper and supermarkets were the leading retailers with 66 percent total food sales in the sector. Due to food price increases and consumer concerns relative to their decrease in purchasing power saw hard discounters, which represented 13.7 percent market share, gain ground against the hyper/supermarkets compared to previous years. E-commerce food and beverage sales represented $350 million in 2007.

<u>Hyper/Supermarket Trends</u>: In 2007, hyper/supermarkets continued to make inroads in the restaurant and fast-food sector market by selling ready-to-eat products, such as roasted meats (i.e., cooked chicken), fresh-baked bread and pastries, to consumers. Increased competition from hard discounters forced hyper/supermarkets to develop lines of discounted products. Large retailers are also increasing their development of private branded products to capture more value in-house. Private label sales were at an all-time high, and accounted for 32 percent of all food product retail sales. Since 2006, French legislation limiting the number of new hypermarket/supermarket openings has prompted large stores to expand their existing surface area. Complaints that this new measure benefitted existing hyper/supermarkets may result in a modification or repeal of the law in 2008. Mergers and alliances among major hyper/supermarkets have allied the country's 5 largest retailers with seven central buying offices. (Please see page 12 for more information on central buying offices.) There is currently a law under consideration in France to allow retail establishments, like food stores, to open on Sunday, which may impact future revenues.

**Major French Hyper/Supermarkets and Hard Discounters by Number of Stores in Calendar Year 2007**

| **Hypermarkets** | | **Supermarkets** | | **Hard discounters** | |
|---|---|---|---|---|---|
| Outlet name | N° shops | Outlet name | N° shops | Outlet name | N° shops |
| LECLERC | 439 | INTERMARCHE | 1,469 | LIDI | 1309 |
| CARREFOUR | 226 | CHAMPION (*) | 1,025 | ED | 897 |
| AUCHAN | 127 | SUPER U | 693 | ALDI | 762 |
| GEANT CASINO GEANT DISCOUT | 118 | CASINO | 379 | LEADER PRICE | 486 |
| CORA | 57 | ATAC | 364 | NETTO | 409 |
| HYPER U | 52 | MONOPRIX | 330 | LE MUTANT | 224 |
| ROND POINT | 7 | SUPER MATCH | 170 | NORMA | 131 |
| | | LECLERC | 72 | | |
| | | SIMPLY MARKET | 71 | | |
| | | MAXICOOP | 37 | | |

*(*) Carrefour Group has also 6 Carrefour Market*
*Source: Lineaires/Panorama Trade Dimensions 2007*

**Major French Hyper/Supermarkets/Hard Discounters by Sales Amount in Calendar Year 2007**

**In billion dollars**

| ***Outlet Names/Groups*** | ***Amount of Sales in CY 2007*** |
|---|---|
| CARREFOUR | 51.4 |
| LECLERC | 41.6 |
| INTERMARCHE (Mousquetaires) | 40.2 |
| AUCHAN | 26.1 |
| CASINO | 24.5 |
| SUPER U | 23.0 |
| CORA | 10.9 |
| FRANCAP | 7.8 |
| LIDL | 5.3 |
| MONOPRIX | 4.9 |
| ALDI | 3.0 |

*Sources: Lineaires – 2007*

**Small Supermarkets**

**Convenience stores**

Convenience stores fall under the category of small supermarkets (superettes) and are generally located in small cities and frequently open every day (including Sunday). In 2007, there were approximately 15,000 outlets and the number continues to grow. Convenience stores are often affiliated with large retailers. The main operators in this segment are:

- Francap (Coccinelle, Coccimarket, G20, Colruyt, Viveco, Diagonal, Sitis, Panier Sympa, Atoo, Votre Marché)

- Carrefour (Shopi, 8 à Huit, Marché Plus, Proxi, Sherpa, ED)
- Casino (Spar, Vival, Eco Service, Petit Casino, Casitalia)
- Franprix (Casino group)
- Systeme U (Marché U)

**Gas Station-Marts**

Gasoline companies, having lost about 60 percent of their gas sales to hypermarkets, have equipped their gas stations with small, self-service food stores. (There are approximately 430 throughout France.) These outlets are frequently used for stop-gap purchases and accounted for about one percent of French food sales in 2007.

**Traditional Outlets (neighborhood, specialized food stores and open air markets)**

Smaller, neighborhood grocery store purchases represented 20 percent of French food sales in 2007, with approximately 50,000 outlets in France. Some are subsidiaries of large retailers such as Carrefour, while others are aligned with independent groups, such as Aldis, Francap, Sugro, Magex, Patisfance, and Prodirest.

Traditional grocers include gourmet stores, such as Fauchon, Hediard, and Benois-Guyard, which carry a wide range of imported products, are located in large and medium-sized cities and attract high-income consumers. The approximately 200 outlets in France offer U.S. exporters easier market entry for products; their drawback is a tendency to buy in smaller quantities.

**Internet Sales of Food Products and Beverages**

Internet sales of food and non-food products are progressing at a rate of 30% yearly. Worldwide total e-commerce sales in 2007 reached approximately $8.8 billion, (versus $6.8 billion in 2006) of which food and beverage sales accounted for $350 million and 4 percent of e-commerce sales.

## SECTION III. BEST PRODUCT PROSPECTS

Large U.S. and other multinational food companies are well established here and their products are adapted to the French market. U.S. exporters will find existing and new market opportunities for high value products in France.

**A. Products Identified as Opportunities for U.S. Suppliers**

***Home food consumption***

2007 - Sales in billion dollars

| **Products** | **Total sales in France** | **Comments** |
|---|---|---|
| Tropical fruits and nuts | 2.1 | French tastes are open to different flavors. Nuts are primarily consumed in France as snacks. |
| Fish and seafood | 4.9 | Health benefits appreciated |
| Quality wines | 5.8 | Change in habits: lower consumption of poor quality wines to the advantage of higher quality wines |
| Grape and fruit brandies | 3.2 | |
| Fruit juices | 2.6 | Health benefits highlighted |
| Canned fruits, jams, marmalades and chocolate & confectionery | 9.3 | Niche opportunities exist for sugar-free, low carb and functional value-added products for chocolate and confectionery products |
| Biscuits, pastries | 5.8 | |
| Tea and coffee | 4.2 | Change in breakfast habits to tea and herb tea |
| Frozen foods | 6.4 | Working consumers: strong growth potential |

(1) Excludes cooked, processed meat and sausages
Source: INSEE – Household Consumption

***Other opportunities***

| **Products** | **Comments** |
|---|---|
| Baby foods | Increase in birth rate |
| Dietary products, including nutraceuticals | Health concerns |
| Soups | Return to tradition |
| Seafood and fish | Increase in consumption |
| Pet foods | Increase in pets: French are dog-lovers |
| Kosher foods | Religious and health concerns |
| Halal foods | Large Muslim population in France |

Health concerns and tax increases on alcoholic beverages have reduced French consumption of these products while consumption of non-alcoholic beverages, such as mineral water and fruit juices, is growing. Sales are also on the increase for exotic/tropical/passion fruits (including citrus), fish and seafood (domestic production cannot meet demand), frozen foods (both ready-to-eat meals and specialty products such as pizza and ice cream), soft drinks, canned fruits, biscuits/cookies and chocolate, tea, coffee and sauces.

Among the increasingly health-conscious French consumer, demand is also rising for organic, health and diet foods, including nutraceuticals. In addition, niche markets exist in France for kosher and halal foods, for which demand continues an upward trend. The growing number of pets has stimulated demand for conventional and organic pet foods.

**B. Products Not Commonly Found on the French Market Offering Opportunities to U.S. Suppliers**

| _Products | Comments |
|---|---|
| Specialty seafood, lobsters, scallops | High demand for quality products |
| Tropical fruits | Receptiveness to new tastes and textures |
| Certain varieties of nuts | Receptiveness to healthy products |
| Prepared ethnic foods and meals | Opportunities for ethnic prepared-foods such as Cajun or California-style cuisine |

**C. Products Facing Significant Import Barriers**

French regulations prohibit imported products made with vitamin-enriched flour, biotech, meat and poultry. Alligator meat is currently prohibited from import as well. For more information on product trade restrictions, please refer to Post Food and Agricultural Import Regulation and Standards Report (FAIRS) available at: http://www.fas.usda.gov/gainfiles/200708/146291922.pdf

**SECTION IV. FROZEN FOOD PRODUCTS**

In 2007, French frozen food sales increased 15 percent to $10.9 billion compared to 2006. The rise in frozen food sales reflects the strong potential of this sector. France ranks second in sales, by value, for frozen food products after Hungary and before Spain, Portugal and the United Kingdom. The best-selling frozen food products in 2007 were fish and seafood, meat, vegetables (especially potato base), entrees/hors d'oeuvre (pizzas, quiches, tarts, etc.), prepared meals, and desserts. In 2007, home consumption of frozen foods was valued at $6.4 billion, an increase of 14 percent compared to 2006, and represented 59 percent of total frozen food consumption.

**Quantity of Frozen Foods Sold in Hyper/Supermarkets/Hard-Discounters in 2006**

| Products | Quantity |
|---|---|
| Vegetables | 121,790 tons |
| Potatoes | 172,141 tons |
| Fish and seafood | 78,515 tons |
| Prepared Meals | 89,016 tons |
| Pizzas and quiches | 43,343 tons |
| Pastries | 8,073 tons |
| Ice creams | 159 million liters |

Source: TNS Worldpanel, 2005
-- Figures for 2006 are not currently available --

**Best Selling Frozen Products in Hyper-Supermarkets:**

- Vegetables: Private label sales in 2007 represented 77 percent market share by volume and 61 percent market share by value. Major branded products were Bonduelle and Findus.

- Fish and Seafood: Private label sales in 2007 represented 47 percent market share in volume and 33 percent market share in value. Major branded products were Findus and Iglo.

- Prepared, ready-to-eat meals: Private label sales in 2007 represented 48 percent market share by volume and 37 percent market share by value. Major branded products were Nestle and Marie.

- Pizza and quiches: Major branded products in 2007 represented 51 percent market share by volume and 42 percent market share by value with Buitoni, Marie and McCain as the leading players in this market segment.

- Potatoes: Private label sales in 2007 represented 46 percent market share in value. Branded products include McCain, Findus, and Aviko.

- Ice cream: Private label sales in 2007 represented 42 percent market share in volume. Major branded products are Miko, and Nestle.

While frozen foods can be purchased in hyper/supermarkets, France also has unique retail outlets which sell only frozen food products, from entree/hors d'oeuvre to desserts. Despite strong competition from larger full-service food retailers, frozen food stores continue to increase in popularity and market share.

Picard Surgeles is the leading frozen food retailer in France for home consumption , with a 14 percent market share, 670 outlets throughout France and sales in 2007 estimated at over one billion dollars. Picard sells high-end frozen products and offers opportunities to U.S. suppliers of fish and seafood, frozen fruits and vegetables, fruit juices, and prepared specialty meals.

Toupargel/Agrigel is the second largest frozen food retailer in France, after Picard, and the leader for frozen food home deliveries, before Thiriet, Maximo and Argel. In 2007, Toupargel/Agrigel sales were $497 million, an increase of 4.4 percent over the previous year. Toupargel/Agrigel offers opportunities primarily for U.S. suppliers of fish and seafood.

**Percentage of Frozen Food Sales, per Retail Outlet, in 2006 and 2007**

| **Type of Outlet** | Percentage of Sales in 2006 | Percentage of Sales in 2007 | Evolution 2007/2006 (Percent) |
|---|---|---|---|
| Hyper and Supermarkets | 46.5 | 46.3 | -0.4 |
| Home delivery services | 23.3 | 21.5 | -7.7 |
| Frozen food stores | 16.8 | 18.2 | +8.3 |
| Hard discounters | 11.9 | 12.2 | +2.5 |

Sources: SFSG (French Federation of Frozen Food Industries)and TNS World Panel

Institutional Consumption: Consumption by the restaurant/institution and food service sectors was estimated at $4.4 billion in 2007, an increase of 13 percent compared to 2006, and represented 41 percent of French frozen food consumption.

The major distributors of frozen food for the food service sector are:

- Promona
- Brake
- Davigel
- Mikogel

- Aviko

There are approximately 100 wholesalers/distributors of frozen food products in France. The top products imported in this category are vegetables, fish and seafood products.

**Best-selling Products in the Food Service Sector: (**accounting for 60 percent of the frozen food segment)

- Fish and seafood
- Vegetables
- Pizzas and quiches

*Definitions*
*(a) Hypermarket: Stores with more than 2,500 sq.m. (25,000 sq.ft) selling a wide variety of food and non-food items.*
*(b) Supermarket: Stores with between 400 m2 and 2,500 m2 (4,000 to 25,000 sq ft) selling a wide variety of foods and non-food household goods*
*(c) Superette: Stores with less than 400 m2 (4,000 sq ft) selling food and basic non-food household goods.*
*(d) City-center stores: Stores located within cities selling a wide variety of food, specialty foods and non-food items*
*(e) Hard discounters: Small supermarkets with a limited range of low cost products, often private label.*
*(f) Gas Marts*
*(g) Frozen Food Centers: A unique concept of retail store selling only frozen foods from entrees/hord d'oeuvres to desserts.*

## COMPETITION

Most exporters within the EU conduct market promotion activities in France. Products such as fresh or preserved fruits and vegetables, wine, beer, fish and meats are commonly promoted in trade shows, advertisements and supermarkets. Non EU-countries promoting food products in France include the United States, Norway, Israel, Morocco, South Africa, Argentina, Brazil and Canada.

## ROAD MAP FOR MARKET ENTRY INTO FRANCE

### Entry Strategy

U.S. suppliers generally benefit from a relationship with a local French agent or representative. Local representatives can provide up-to-date information on business practices, trade laws, sales leads, and marketing and distribution strategies. In many instances, these in-country contacts also serve as importers and distributors. New-to-market and niche products usually enter through importers/distributors. The Office of Agricultural Affairs in Paris maintains an extensive list of potential importers and distributors and can supply information about ongoing activities that provide opportunities to meet the French trade. A directory of European importers "American Foods in Europe – Your Guide to European Importers of U.S. Food and Beverage Products" is available online at www.american-foods.org.

Buying Groups: In France, while a few major food retailers buy direct, most major food retailers buy their products from central buying offices. These offices usually source products, handle import (custom) formalities, logistics, supply, maintenance, delivery and sometimes pricing and labeling for their retail customers. They insure that foreign sourced products meet all import requirements, including food, labeling, packaging, and other market specifications. The goal for a U.S. exporter is that its product meets all the import requirements and that the central buying office includes it in its product catalogue. Food retail buyers use this catalogue to make purchases for their stores.

In France, the central buying offices are:

- Groupe Carrefour
- Leclerc
- EMC Distribution,
- ITM Entreprises
- Groupe Auchan
- Systeme U
- Provera France

(contact information on Atttachment I of this report)

**French Central Buying Offices in 2007**
**By Market Share**

| ***Groups*** | ***Outlet Names*** | ***In value*** |
|---|---|---|
| *GROUPE CARREFOUR* | *Carrefour, Champion, others* | *27%* |
| *LECLERC* | *Leclerc* | *17%* |
| *EMC DISTRIBUTION* | *Groupe Casino, Monoprix* | *14%* |
| *ITM ENTREPRISES* | *Intermarche* | *14 %* |
| *GROUPE AUCHAN* | *Auchan, Atac* | *14 %* |
| *SYSTEME U* | *Systeme U* | *9 %* |
| *PROVERA France* | *Cora - S. Match, Others* | *5 %* |

*Source: ACNielsen 2007/ Lineaires 2007*

In order to present a product to a central buying office, a U.S. supplier should:

-- Submit product descriptions and price quotations
-- Submit products for laboratory testing
-- Determine sanitary/health certification and other import documents requirements

**Building a Relationship with a Hyper/Supermarket's**
**Central Buying Office or Purchasing Department**

| **Stages / Goal** | **Action** | **Follow up** |
|---|---|---|
| **Stage 1** – Create interest in your product. The goal is to be listed or referenced in a buyer's catalogue. | - Send a product promotion kit to the appropriate buyer ? who transmits it to the marketing department ? who may ask for samples ? shows interest or not: if interested, meeting with supplier requested | - with additional information on company and its factories . sanitary certificates, ISO, HACCP certificates -- Prices are not necessary at this stage |

<u>Specialized importer/distributor:</u> An importer can offer several advantages to a U.S. supplier: market insight; information about competitors; and established retail business

connections.

| Stages / Goal | Action / Means |
|---|---|
| **Stage 1** - Establish a contact | - Send a product promotion kit with samples; indicate prices |
| **Stage 2** – Check the supplier's reliability | - The importer verifies that the manufacturing plants meet standards and regulations as well as the financial reliability of the supplier |
| **Stage 3** - Commercial offer | - Price negotiations and discounts for large quantity purchases. Define logistical requirements. An exclusive contract is usually for three years. |
| **Note:** - The price needs to be included with the file when building a relationship with an importer, while it is not necessary in building a relationship with a hyper/supermarket. | |

## SECTION V. UPCOMING TRADE SHOWS

### French Trade Shows for Consumer-Oriented Products

Participating or simply attending a trade show can be a very cost-effective means to test the French market, to introduce a product, or to expand sales. France offers a wide variety of trade show venues for food and beverage products. The following table provides details on major consumer-oriented and related trade shows for food, beverages, and taking place in France.

| | | |
|---|---|---|
| **VAEExpo (International Snack and Food Show)**<br>Paris, France (Interval: yearly)<br><br>Target Market:<br>European show for snacks and take away (nomad) foods | September 11-12, 2008 | Show Organizer:<br>Comexposium/VAE expo<br>Catherine Benhammou<br>Tel: (33 1) 49 68 54 22<br>Email: catherine.benhammou@exposium.fr<br>Inernet: http://www.vaeexpo.com |
| **SIAL (International Food and Beverage Show)**<br>Paris, France (Interval: 2 years)<br><br>Target Market:<br>Europe/International<br>One of the leading international trade shows for food and beverages. Traditionally there is a large U.S. Pavilion at this show featuring about 150 U.S. companies and associations. USDA-endorsed show. | October 19-23, 2008 | U.S.Pavilion Organizer:<br>IMEX Management, Inc.<br>Tel: (704) 365 0041<br>Fax: (704) 365 8426<br>Email: kellyw@imexmgt.com<br>Internet:<br>http://www.imexmgt.com/shows/sialparis2008 |
| **Health Ingredients Europe (HI Europe 2008)**<br>Paris, France (Interval : yearly, host city changes each year)<br><br>**Target Market:**<br>Europe/International<br>One of the leading international trade shows for food ingredients. Traditionally, there is a USA Pavilion with about 15 U.S. companies and associations. USDA-endorsed show. | November 4-6, 2008 | U.S. Pavilion Organizer:<br>CMP Information<br>Tel: 609 759 4742<br>Fax: 609 759 4747<br>Richard Regan<br>Email: rregan@CMPI.biz<br>Internet: http://www.hi-europe.cmp-info.com/ |
| **SIRHA (International Hotel Catering and Food Trade Exhibition)**<br>Eurexpo, Lyon, France<br>(Interval: 2 years) | January 24-28, 2009 | **U.S. Pavilion Organizer:**<br>B-For International<br>Bjorn Bieneck<br>Tel: 540 373 9935<br>Fax: 540 372 1414 |

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| Target Market: Europe/International European largest show for HRI/Food Service Sector Traditionally there is a U.S. Pavilion at this show featuring about 10 companies and associations including a kitchen with an American Chef offering cooking demonstrations. USDA-endorsed show | | Email: bbieneck@exhibitpro.com<br>Internet: www.b-for.com |
| **European Sandwich and Snack Show**<br>Paris, France (Interval: yearly)<br><br>Target Market: France/Central, Eastern and Western Europe Good venue for exhibiting sandwich, snacks and related food and beverages for the take away/nomad sector | March 4-5, 2009 | Show Organizer:<br>Dew Events<br>Geraldine Hennion<br>Tel: (33 1) 55 23 7173<br>Fax: (33 1) 55 35 0809<br>Email: ghennion@ffb.fr<br>Internet: www.sandwichshows.com |
| **Salon National de la Boulangerie, Patisserie, Glacerie, Traiteur et Intersuc (Pastry, Caterer and chocolate Trade Show)**<br>Paris, France (Interval : yearly)<br><br>Target Market : European One of the leading European shows for pastry, bakery, catering and chocolate: Food products and ingredients for this sector of the food industry. | March 8-10, 2009 | Show Organizer:<br>Salon National de la Boulangerie Patisserie : Exposium<br>Tel : (33 1) 49 68 49 72<br>Email : snbp@exposium.fr<br><br>Intersuc<br>Tel : (33 1) 49 68 52 26<br>Email : intersuc@exposium.fr<br><br>Internet : www.salonboulangerie.com<br>www.intersuc.com |
| **CFIA (Carrefour des Fournisseurs de l'Industrie Agroalimentaire)**<br>Rennes Aeroport, France (Interval : yearly)<br><br>Target market : Europe/International European largest show for retail food and beverage sector | March 10-12, 2009 | Show Organizer:<br>Agor<br>Gilles Ferrod<br>Tel: (33 5) 53 36 7878<br>Fax: (33 5) 53 36 7879<br>Email: gferrod@agor.net<br>Internet: www.cfiaexpo.com |

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| **Salon des Marques de Distributeurs Alimentaires – MDD Rencontres (Private Label Show)**<br>Paris, France (Interval : yearly)<br><br>Target Market : Europe/International<br>International Private Label show for foods, including ethnic and halal foods | March 25-26, 2009 | Show Organizer:<br>Agor<br>Gilles Ferrod<br>Tel: (33 5) 53 36 7878<br>Fax: (33 5) 53 36 7879<br>Email: gferrod@agor.net<br>Internet: www.cfiaexpo.com |
| **Vinexpo (International Wine and Spirits Trade Show)**<br>Bordeaux, France (Interval: 2 years)<br><br>Target Market: Europe/International<br>The leading international trade show for wine and spirits. Traditionally there is a large California Pavilion at this show featuring about 100 U.S. wineries. | June 21-25, 2009 | Show Organizer:<br>Vinexpo<br>Tel: (33 5) 56 56 00 02<br>Fax: (33 5) 56 56 00 11<br>Email: pdufau@vinexpo.com<br>Internet: www.vinexpo.com |
| **Natexpo (Organic, Health/Dietetic, cosmectic and econologic Trade Show)**<br>Paris, France (Interval: 2 years)<br><br>Target Market: Europe/International<br>One of the leading European Trade Show for organic, health and dietetic foods, cosmetic and ecologic products | October 17-19, 2009 | Show Organizer:<br>Comexpo – Paris<br>Ms. Dominique Richard<br>Tel: (33 1) 49 09 64 59<br>Email: drichard@comexpo-paris.com<br>Internet: www.natexpo.com |

***Note: More information about these and other French exhibitions and trade shows can be found under the following Internet address: http://www.salons-online.com/***

## SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

**Internet Home Pages**
Internet home pages of potential interest to U.S. food and beverage exporters are listed below:

U.S. Mission to the European Union http://useu.usmission.gov/agri/usda.html
FAS/Washington www.fas.usda.gov
European Importer Directory www.american-foods.org
FAS/Paris http://amb-usa.fr/fas/fas.htm
Web site for Professional Trade Shows and Events http://www.salons-online.com

If you have any questions or comments regarding this report, or need assistance exporting to France, please contact the U.S. Agricultural Affairs Office in Paris at:

Foreign Agricultural Service
U.S. Department of Agriculture
Embassy of the United States of America
2, avenue Gabriel
75382 Paris, Cedex 08, France
Phone: (33-1).43.12.2264
Fax: (33-1).43.12.2662
Email: agparis@fas.usda.gov <mailto:agparis@usda.gov>
Home page: <http://www.amb-usa.fr/fas/fas.htm>

Please view our Home Page for more information on exporting U.S. food and beverage products to France, including market and product “briefs” available on specific topics of interest to U.S. exporters.

Importer listings are available from the Agricultural Affairs Office for use by U.S. exporters of US. Food and beverage products. Recent reports of interests to U.S. exporters interested in the French market include:

| Report Number | Name | Hot link |
|---|---|---|
| FR5016 | Kosher Foods in France | http://www.fas.usda.gov/gainfiles/200505/146119632.pdf |
| FR5090 | Organic Food | http://www.fas.usda.gov/gainfiles/200607/146208245.pdf |
| FR6023 | Dried Fruit Annual | http://www.fas.usda.gov/gainfiles/200604/146187422.pdf |
| FR6054 | Fishery Products Annual | http://www.fas.usda.gov/gainfiles/200610/146249202.pdf |
| FR6055 | Product Brief: Dried Fruits | http://www.fas.usda.gov/gainfiles/200702/146280094.pdf |
| FR6056 | Product Brief: Sweet, Savory Snacks & Snack Bars in France | http://www.fas.usda.gov/gainfiles/200702/146280095.pdf |
| FR6057 | Product Brief: Sauces | http://www.fas.usda.gov/gainfiles/200702/146280096.pdf |
| FR6058 | Product Brief: | |

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| | French Market for Confectionary, Chocolate & Cocoa Products | http://www.fas.usda.gov/gainfiles/200702/146280097.pdf |
| FR6059 | Product Brief: Non-Alcoholic Beverages | http://www.fas.usda.gov/gainfiles/200702/146280098.pdf |
| FR6060 | Product Brief: Tea | http://www.fas.usda.gov/gainfiles/200610/146249284.pdf |
| FR6064 | Retail Food Sector Annual | http://www.fas.usda.gov/gainfiles/200702/146280102.pdf |
| FR6065 | Product Brief: Nuts | http://www.fas.usda.gov/gainfiles/200702/146280103.pdf |
| FR7006 | Wine Annual | http://www.fas.usda.gov/gainfiles/200702/146280108.pdf |
| FR7012 | HRI Food Service Sector Annual | http://www.fas.usda.gov/gainfiles/200703/146280654.pdf |
| FR7023 | Food & Agricultural Import Regulations and Standards Annual | http://www.fas.usda.gov/gainfiles/200708/146291922.pdf |
| FR7041 | Ready to eat and Snack Market | http://www.fas.usda.gov/gainfiles/200712/146293360.pdf |
| FR7042 | Halal Food Market | http://www.fas.usda.gov/gainfiles/200801/146293395.pdf |

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service Home Page at: www.fas.usda.gov

**ATTACHMENT I**

**KEY FRENCH CONTACTS FOR THE FOOD RETAIL TRADE**

***Note: For the names of buyers, please contact:***

***Office of Agricultural Affairs at the American Embassy in Paris***
***Fax: (33-1) 43 12 2662***
***Email: agparis@fas.usda.gov***

**ALDI**

**Head office**: Parc d'activité de la Goële
13 rue Clément Ader
77230 DAMMARTIN EN GOELE
Tel. 33.1.60.03.68.01 - Fax 33.1.60.03.77.84
**Central buying**: same address
Tel. 33.1.60.03.68.21 - Fax 33.1.60.03.78.23
Internet: <http://www.aldi.fr>

**AUCHAN**

**Purchases, logistics France:**
200 rue de la Recherche
59650 VILLENEUVE D'ASCQ
Tel. 33.3.28.37.67.00 - Fax 33.3.28.37.64.00
Internet: <http://www.auchan.com>

**BAUD FRANPRIX** (CASINO Group)
**Head office**: 2 route du Plessis
94430 CHENNEVIERES SUR MARNE
Tel. 33.1.45.93.70.00 - Fax 33.1.45.93.70.69

**DISTRIBUTION LEADER PRICE**
2 route de Presles - Zone Industrielle
77220 Gretz ARMAINVILLIERS
Tel. 33.1.64.42.51.52 - Fax 33.1.64.42.51.59

**CARREFOUR**
**Food Purchasing Office:**
26 quai Michelet
92595 Levallois Perret cedex
Tel: 33.1.58.63.30.00 – Fax 33.1.58.63.67.50

**CORA**
**Head office**:
Domaine de Beaubourg
Croissy Beaubourg - BP 81
77435 MARNE LA VALLEE CEDEX 2
Tel. 33.1.64.62.65.00 - Fax 33.1.64.80.40.51
Internet: <http://www.cora.fr>

**ITM ENTREPRISES** (Group of independents)

Parc de Tréville
1 allée des Mousquetaires
91078 BONDOUFLE CEDEX
Tel. 33.1.69.64.10.72 - Fax 33.1.69.64.26.19
Internet: <http://www.groupedesmousquetaires.com>

**LIDL** (German Group LIDL UND SCHWARTZ)
**Head office**:
35 rue Charles Péguy
67200 STRASBOURG
Tel. 33.3.88.30.94.00 - Fax 33.3.88.29.00.29

**ACD Lec**
Same address as LECLERC
and Central Buying for Leclerc
26, quai Marcel Boyer
94859 Ivry sur Seine
Tel: 33.1.49.87.50.80 - Fax: 33.1.49.87.51.26

**METRO FRANCE**
**Head office**:
ZA du Petit Nanterre
5 rue des Grands Prés
92000 NANTERRE
Tel. 33.1.47.86.63.00 - Fax 33.1.47.86.63.56
Internet: <http://www.metro.fr>

**MONOPRIX / PRISUNIC**
**Head office** :
Tour Vendôme
204 rond point du Pont de Sèvres
92516 BOULOGNE BILLANCOURT CEDEX
Tel. 33.1.55.20.70.00 - Fax 33.1.55.20.70.01
Internet: <http://www.monoprix.fr>

**SYSTEME U**
**Head office**: 1, rue Thomas Edison
94046 CRETEIL CEDEX
Tel. 33.1.45.17.92.00 - Fax 33.1.45.17.92.20

**GEIMEX** 15, rue du Louvre
75001 PARIS
Tel. 01.45.08.85.60 - Fax: 33.1.42.21.01.61
Franprix and Leaderprice

**EMC DISTRIBUTION**
28, rue des Vieilles Vignes
77316 CROISSY BEAUBOURG
Tel. 01.61.44.70.00 - Fax 01.61.44.70.01

**PROVERA** 1, rue du Chenil
Domaine de Beaubourg
77183 CROISSY BEAUBOURG
Tel. 01.64.62.79.00 - Fax 01.64.62.79.01

Cash and carry

- METRO:
- BP 205 - *92002 NANTERRE CEDEX*
Tel: 01.47.86.60.00

- PROMOCASH :
- 14 avenue Sommer - *92160 ANTHONY*
Tel: 01.46.74.55.00
- PROCOMARCHE:
- 3 rue Benjamin Delessert - *77550 MOISSY CRAMAYEL*
Tel: 01.64.88.31.30

**Wholesalers in dry grocery products:**

- PRODIREST:
- 10-12, Boulevard Arago - *91320 WISSOUS*
Tel: 01.60.13.82.00

- ALDIS :
- 1/11 rue du Puits Dixme - Senia 524
94577 ORLY CEDEX
Tel: 01.41.80.49.27

**Wholesalers in spirits, wines and beverages**

- PRODIREST: 10-12, Boulevard Arago - *91320 WISSOUS*
Tel: 01.60.13.82.00

- ALDIS : 1/11 rue du Puits Dixme - Senia 524
94577 ORLY CEDEX
Tel: 01.41.80.49.27

- FRANCE BOISSONS : 19 rue des Deux Gares
92565 RUEIL MALMAISON CEDEX
Tel: 01.47.14.37.50

**Wholesalers in frozen products**

- BRAKE FRANCE : 4 allée des Séquoias - 69760 LIMONEST
Tel: 04.78.66.38.00

- DAVIGEL : BP 41- 76201 DIEPPE CEDEX
Tel: 02.35.04.76.00

- PROMOCASH: 14 avenue Sommer - 92160 ANTHONY
Tel: 01.46.74.55.00
- POMONA: Route Wissous - 91380 CHILLY MAZARIN
Tel: 01.64.54.20.20

Food buyer : M. Raphaël WEISS

- AVIKO: 9 bis rue Clément Ader - 60200 COMPIEGNE

Tel: 03.44.23.30.12
: Tel: 00 31 575 458 200 (The Netherlands)

- BRAKE FRANCE SERVICE : Route Nationale de Mons
  80200 ESTREES MONS
  Tel: 03.22.85.77.77
  Fax: 03.22.85.77.55